

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604

DATE: NOV 13 2014

SUBJECT: INSPECTION REPORT – West Bay Exploration Co, Calhoun County, Michigan

Facility: Hoffman Facility, Marengo Township

FROM: Natalie Topinka, Environmental Scientist
AECAS (IL/IN)

THRU: Nathan Frank, Chief
AECAS (IL/IN)

TO: File

Date of Inspection: August 29, 2014

Attendees: Natalie Topinka, Environmental Scientist, U.S. EPA
Terry R. Pelham, Production Foreman, West Bay Exploration

Purpose of Inspection: The purpose of conducting an inspection of West Bay Exploration Company's Calhoun County operations was to assess compliance with the Michigan State Implementation Plan and any applicable air permits.

Company Description and Background:

Location: Approximately 17085 23 Mile Rd, Albion, MI 49224
(Lat: 42.321023, Long: -84.847112)

Primary Contact: Terry R. Pelham, Production Foreman

West Bay Exploration Company (West Bay) has headquarters in Traverse City, Michigan, with operations in several states including Michigan, Texas, Oklahoma, and North Dakota. The company employs 20 people and many more contractors and lease operators.

Opening Conference

I arrived at the Hoffman facility at 10:35 am and met Mr. Pelham of West Bay at the site. Mr.

Pelham had accompanied me on inspections of other West Bay facilities the day before, so introductions had been made previously. The following information was obtained verbally from Mr. Pelham during the inspection and in subsequent clarifying correspondence.

Hoffman Facility Overview

The Hoffman facility accepts product from three wells; there are three heater-treaters on-site. The heater treaters separate the emulsion of oil, gas, and water by applying heat from a gas-fired burner. The components of the emulsion separate into layers according to density and can then be drawn off individually. Gas is sent to a main Panhandle Eastern Pipeline Company pipeline to be transported to a nearby natural gas processing facility for compression and further refinement, while oil and brine are piped to separate on-site storage tanks. There are six 400-barrel tanks for oil and brine storage. Oil and brine are transported off-site by truck. There is no vapor recovery unit (VRU). The flare receives vapors from tanks, truck venting during loading, and/or emergency/overload conditions.

Facility Tour

I took a photos of the overall facility (see photos section) and viewed the flare with the IR camera (a FLIR GF320). No visible emissions (as seen with the naked eye) from the flare were present at that time. I climbed the stairway of the tank battery and viewed each of the thief hatches with and without the IR camera. There was a noticeable petroleum odor along the walkway and an audible hissing noise from the tank hatch on the southeasternmost tank. The IR camera showed three of the six thief hatches and the Enardo pressure relief valve leaking continuously (see IR Video Log and diagram). The thief hatch on the northeasternmost tank also was emitting intermittent puffs of vapor, although I did not record this with the IR camera.

I pointed out my observations to Mr. Pelham and he made note of the leaking thief hatches. He stated that a hatch weight of up to 24 ounces was possible to be installed on these tanks.

Closing

I shared my observations with Mr. Pelham regarding which tank hatches were leaking. Mr. Pelham did not claim any information as confidential business information. Mr. Pelham and I agreed to caravan to another West Bay facility nearby. We departed the Hoffman facility at approximately 10:50 am.

Photos



1) View of flare, well pumpjack, heater treaters, and tank battery, looking west.

IR Video Log

Video ID number	Description
MOV_0757	Leaking thief hatch
MOV_0758	Leaking thief hatch
MOV_0759	Leaking thief hatch
MOV_0760	Leaking Enardo valve
MOV_0761	Flare



Image: Google Maps